

**HINKLE, COX, EATON, COFFIELD & HENSLEY,
L.L.P.**

ATTORNEYS AT LAW

218 MONTEZUMA POST OFFICE BOX 2068
SANTA FE, NEW MEXICO 87504-2068
(505) 982-4554 FAX (505) 982-8623

LEWIS C. COX, JR. (1924-1993)
CLARENCE E. HINKLE (1901-1985)

OF COUNSEL
O. M. CALHOUN*
JOE W. WOOD
RICHARD L. CAZZELL*

ELLEN S. CASEY
MARGARET CARTER LUDEWIG
S. BARRY PAISNER
WYATT L. BROOKER*
DAVID M. RUSSELL*
ANDREW J. CLOUTIER
STEPHANIE LANDRY
KIRT E. MOELLING*
DIANE FISHER
JULIE P. NEERKEN
WILLIAM P. SLATTERY
CHRISTOPHER M. MOODY
JOHN D. PHILLIPS
EARL R. NORRIS
JAMES A. GILLESPIE
MARGARET R. MCNETT
DARREN T. GROCE*

GARY W. LARSON
LISA K. SMITH*
NORMAN D. EWART
MOLLY MCINTOSH
MARCIA B. LINCOLN
SCOTT A. SHUART*
PAUL G. NASON
AMY C. WRIGHT*
KAROLYN KING NELSON
ELLEN T. LOUDERBOUGH
JAMES H. WOOD*
NANCY L. STRATTON
TIMOTHY R. BROWN
JAMES C. MARTIN
KATHLEEN M. HALL
DANNY W. JARRETT
MATTHEW E. FORBES*

PAUL W. EATON
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
ERIC D. LANPHERE
C. D. MARTIN
ROBERT P. TINNIN, JR.
MARSHALL G. MARTIN
MASTON C. COURTNEY*
DON L. PATTERSON*
DOUGLAS L. LUNSFORD
NICHOLAS J. NOEDING
T. CALDER EZZELL, JR.
WILLIAM B. BURFORD*
RICHARD E. OLSON
RICHARD R. WILFONG*
THOMAS J. MCBRIDE
NANCY S. CUSACK
JEFFREY L. FORNACIARI

JEFFREY D. HEWETT
JAMES BRUCE
JERRY F. SHACKELFORD*
JEFFREY W. HELLBERG*
W. F. COUNTISS*
ALBERT L. PITTS
THOMAS M. HNASKO
JOHN C. CHAMBERS*
GARY D. COMPTON*
W. H. BRIAN, JR.*
RUSSELL J. BAILEY*
STEVEN D. ARNOLD
THOMAS D. HAINES, JR.
GREGORY J. NIBERT
FRED W. SCHWENDIMANN
JAMES M. HUDSON
THOMAS E. HOOD*
REBECCA NICHOLS JOHNSON
STANLEY K. KOTOVSKY, JR.

*NOT LICENSED IN NEW MEXICO

January 22, 1997

HAND DELIVERED

Mr. David Catanach
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504

RE: Parker & Parsley OCD Case Nos.
11703 and 11704 -- statutory
unitization and water
injection project for
secondary recovery

Dear David:

This will confirm our phone conversation today in which I advised you that Parker & Parsley Development, L.P. is in negotiations with Shackelford Oil Co. for the possible purchase of Shackelford's interest in the proposed unit area. It is my understanding that if the negotiations are successful, the transaction will close on or before February 4, 1997. Accordingly, pending the further negotiations and possible closing of the purchase of the Shackelford interest, Parker & Parsley hereby requests a continuance of the referenced cases, now set on the docket for tomorrow, January 23, 1997. Parker & Parsley have advised me that whether or not the negotiations for the purchase are successful, they will want the cases heard on the next regular hearing date. Accordingly, we respectfully request that the cases be continued to the next regular hearing date, which we understand is February 6, 1997.

Please advise if anything additional is needed to effect this requested continuance.

POST OFFICE BOX 10
ROSWELE, NEW MEXICO 88202
(505) 622-6510
FAX (505) 623-9332

POST OFFICE BOX 3580
MIDLAND, TEXAS 79702
(915) 683-4691
FAX (915) 683-6518

POST OFFICE BOX 9238
AMARILLO, TEXAS 79105
(806) 372-5569
FAX (806) 372-9761

POST OFFICE BOX 2043
ALBUQUERQUE, NEW MEXICO 87103
(505) 768-1500
FAX (505) 768-1529

Thank you.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY

Conrad E. Coffield

Copies: William Carr, Esq. and Tanya Trujillo, Esq.
Steve Owen, Parker & Parsley

**HINKLE, COX, EATON, COFFIELD & HENSLEY,
L.L.P.**

ATTORNEYS AT LAW

218 MONTEZUMA POST OFFICE BOX 2068
SANTA FE, NEW MEXICO 87504-2068
(505) 982-4554 FAX (505) 982-8623

LEWIS C. COX, JR. (1924-1993)
CLARENCE E. HINKLE (1904-1985)

OF COUNSEL
O. M. CALHOUN* JOE W. WOOD
RICHARD L. CAZZELL* RAY W. RICHARDS*

AUSTIN AFFILIATION
HOFFMAN & STEPHENS P.C.
KENNETH R. HOFFMAN*
TOM D. STEPHENS*
RONALD C. SCHULTZ, JR.*
JOSE CANO*

THOMAS E. HOOD*
REBECCA NICHOLS JOHNSON
STANLEY K. KOTOVSKY, JR.
ELLEN S. CASEY
MARGARET CARTER LUDEWIG
S. BARRY PAISNER
WYATT L. BROOKS*
DAVID M. RUSSELL*
ANDREW J. CLOUTIER
STEPHANIE LANDRY
KIRT E. MOELLING*
DIANE FISHER
JULIE P. NEERKEN
WILLIAM P. SLATTERY
CHRISTOPHER M. MOODY
JOHN D. PHILLIPS
EARL R. NORRIS
JAMES A. GILLESPIE
MARGARET R. MCNETT

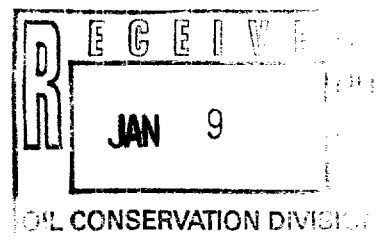
GARY W. LARSON
LISA K. SMITH*
NORMAN D. EWART
DARREN T. GROCE*
MOLLY MCINTOSH
MARCIA B. LINCOLN
SCOTT A. SHUART*
PAUL G. NASON
AMY C. WRIGHT*
BRADLEY G. BISHOP*
KAROLYN KING NELSON
ELLEN T. LOUDERBOUGH
JAMES H. WOOD*
NANCY L. STRATTON
TIMOTHY R. BROWN
JAMES C. MARTIN
KATHLEEN M. HALL

*NOT LICENSED IN NEW MEXICO

January 8, 1997

HAND DELIVERED

Mr. Michael Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504



RE: Parker & Parsley OCD Case Nos.
11703 and 11704 -- statutory
unitization and water
injection project for
secondary recovery

Dear Mike:

This will confirm our phone conversation today in which I advised you that Parker & Parsley Development, L.P. requests a continuance of the referenced cases, now set on the docket for tomorrow, January 9, 1997. We respectfully request that the cases be continued to the next regular hearing date, which we understand is January 23, 1997.

Please advise if anything additional is needed to effect this requested continuance.

Thank you.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY

Conrad E. Coffield

POST OFFICE BOX 10
ROSWELL, NEW MEXICO 88202
(505) 622-6510
FAX (505) 623-9332

POST OFFICE BOX 3580
MIDLAND, TEXAS 79702
(915) 683-4691
FAX (915) 683-6518

POST OFFICE BOX 9238
AMARILLO, TEXAS 79105
(806) 372-5569
FAX (806) 372-9761

POST OFFICE BOX 2043
ALBUQUERQUE, NEW MEXICO 87103
(505) 768-1500
FAX (505) 768-1529

401 W. 15TH STREET, SUITE 800
AUSTIN, TEXAS 78701
(512) 476-7137
FAX (512) 476-5431

Copies: William Carr, Esq. and Tanya Trujillo, Esq.
Steve Owen, Parker & Parsley